

## Attachment A



### Estimated 2009 Retiree Self-Pay Rates

Rates shown below are Monthly Rates							
Health Plan Name	Employee Only	Employee and Spouse	Employee and Child(ren)	Family	Spouse Only	Child(ren) Only	Spouse & Child(ren)
Enhanced Medical Plan	\$666.00	\$1,332.00	\$1,198.80	\$1,864.8	\$666.00	\$666.00	\$1,198.80
Point-of-Service Plan	\$636.00	\$1,272.00	\$1,144.80	\$1,780.8	\$636.00	\$636.00	\$1,144.80
Comprehensive Health Savings	\$332.00	\$664.00	\$597.60	\$929.60	\$332.00	\$332.00	\$597.80
Health Net (Southern CA)	\$520.99	\$1,094.08	\$989.88	\$1,458.7	N/A	N/A	N/A
Advantage Health Plan ((N)	\$502.72	\$1,055.77	\$955.17	\$1,407.6	N/A	N/A	N/A
HAP (MI)	\$333.43	\$700.21	\$633.52	\$933.60	N/A	N/A	N/A
Priority Health West (MI)	\$507.89	\$1,066.57	\$965.02	\$1,422.2	N/A	N/A	N/A
Blue Care Network (Southeast	\$312.81	\$656.90	\$594.34	\$875.87	N/A	N/A	N/A
Priority Health East (MI)	\$377.92	\$793.67	\$718.07	\$1,058.2	N/A	N/A	N/A
Health Plus of Michigan (M(-Flint)	\$386.05	\$810.70	\$733.49	\$1,080.93	N/A	N/A	N/A
Health Plus of Michigan (M(-SE	\$304.99	\$640.48	\$579.48	\$853.97,	N/A	N/A	N/A
Health Plus of Michigan (M(-Saginaw)	\$399.75	\$839.49	\$759.54	\$1,119.32	N/A	N/A	N/A
Blue Care Network (M(-East/Saginaw)	\$404.59	\$849.64	\$768.73	\$1,132.85	N/A	N/A	N/A
Blue Care Network (Mid-Michigan)	\$404.59	\$849.64	\$768.73	\$1,132.85	N/A	N/A	N/A
Blue Care Network (East/Flint	\$368.60	\$774.06	\$700.34	\$1,032.08	N/A	N/A	N/A
Blue Point 2 (NY-Rochester)	\$370.98	\$853.26	\$934.13	\$983.10	N/A	N/A	N/A
United HealthCare (Dayton/Cinci)	\$600.59	\$1,261.24	\$1,141.12	\$1,681.64	N/A	N/A	N/A
Kaiser Permanente (OH)	\$419.44	\$880.82	\$796.94	\$1,174.4	N/A	N/A	N/A
Health Assurance - Warren/Youngstown (OH)	\$550.38	\$1,155.79	\$1,045.72	\$1,541.06	N/A	N/A	N/A
Dental	\$44.00	\$88.00	\$79.20	\$123.20	N/A	N/A	N/A
Vision	\$3.00	\$6.00	\$5.40	\$8.40	N/A	N/A	N/A
Extended Care Coverage	\$11.00	\$22.00	\$19.80	\$30.80	N/A	N/A	N/A

Notes: Rates are evaluated on an annual basis and are subject to change.

Spouse Only, Child(ren) Only, Spouse & Child(ren) are available only to retirees who are Medicare eligible and age 65 or older.

## 2009 Salaried COBRA Rates

Rates shown below are Monthly Rates

Medical Plan	Enrollee Only	Enrollee and Spouse	Enrollee and Child(ren)	Enrollee and Family
Optional Canadian HC	100.98	201.96	181.77	282.75
Comprehensive Health Savings	246.84	493.68	444.31	691.15
Enhanced Medical Plan	491.64	983.28	884.95	1376.59
Point-of-Service Plan	423.30	846.60	761.94	1185.24
Health Net (Southern CA)	531.41	1115.96	1009.68	1487.95
Advantage Health Plan ((N)	512.78	1076.89	974.27	1435.77
HAP (M)	340.10	714.21	646.19	952.27
Priority Health West (M)	518.05	1087.90	984.32	1450.65
Blue Care Network (Southeast Michigan)	319.07	670.04	606.23	893.39
Priority Health East (M)	385.48	809.54	732.43	1079.38
Health Plus of Michigan (M(-	393.77	826.91	748.16	1102.55
Health Plus of Michigan (M(-SE	311.09	653.29	591.07	871.05
Health Plus of Michigan (M(-Saginaw)	407.75	856.28	774.73	1141.71
Blue Care Network (MI-East/Saginaw)	412.68	866.63	784.10	1155.51
Blue Care Network (Mid-	412.68	866.63	784.10	1155.51
Blue Care Network (East/Flint Michigan)	375.97	789.54	714.35	1052.72
Blue Point 2 (NY-Rochester)	378.40	870.33	952.81	1002.76
United HealthCare	612.60	1286.46	1163.94	1715.27
Kaiser Permanente (OH)	427.83	898.44	812.88	1197.92
Health Assurance - Warren/Youngstown (OH)	561.39	1178.91	1066.64	1571.88
CIGNA (International HC Plan	274.20	665.02	557.47	948.00
Dental Plan*	Enrollee Only	Enrollee and Spouse	Enrollee and Child(ren)	Enrollee and Family
C(GNA Traditional Dental Plan	30.60	61.20	55.08	85.68
Vision Pla	Enrollee Only	Enrollee and Spouse	Enrollee and Child(ren)	Enrollee and Family
EyeMed Traditional Vision	3.06	6.12	5.51	8.57

\* (f Medicare eligible at time of qualifying event, rates may vary

\*\* Alternative Dental Plan rates may vary

**Calculation of Delphi Retiree Self Pay Health Care Rate Relative to  
the COBRA Rate**

From Delphi Charts (Exhibit A)

Self Pay Rate (single, enhanced plan) [SPS]                      \$ 666.00

Self Pay Rate (family, enhanced plan) [SPF]                      \$ 1864.80

From Delphi Charts (Exhibit B)

COBRA Rate (single, enhanced plan) [CRS]                      \$ 491.61

COBRA Rate (family, enhanced plan)[CRF]                      \$ 1376.59

- ◆ Assumption 1: COBRA rate is 102% of applicable premium
- ◆ Assumption 2: All rate ratios are the same

$$\begin{aligned} \text{100\% rate (single, enhanced plan)} &= [PRS] = \frac{CRS}{102} = \frac{\$491}{102} = \$482 \\ &\text{(100\% Premium Rate)} \end{aligned}$$

$$\begin{aligned} \text{100\% rate (family, enhanced plan)} &= [PRF] = \frac{CRF}{102} = \frac{\$1376.59}{102} = \$1349.60 \\ &\text{(100\% Premium Rate)} \end{aligned}$$

$$\text{Self Pay \% (single, enhanced plan)} = \frac{SPS}{PRS} = \frac{\$666}{\$482} \times 100 = 138.2\%$$

$$\text{Self Pay \% (Family, enhanced plan)} = \frac{SPF}{PRF} = \frac{\$1864.80}{\$1349.60} \times 100 = 138.2\%$$

Therefore Retirees are paying a rate **36.2%** higher than the COBRA rate.

Therefore value of the COBRA benefit is 1.362 x Debtor premium rate.

Prior to April 1, 2009 it is believed that Delphi was paying 2.5 million dollars (\$2,500,000) per month for Salaried Retiree health care benefits.

Yearly cost of retiree health care =  $12 \times 2,500,000 = \$ 30,000,000$

2009 COBRA cost =  $\$30,000,000 \times .362 = \$ 10,860,000$

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Allowing that health care costs are increasing at twice the rate of inflation

Assume average yearly inflation rate over the next thirty years = 3%

Therefore assumed:

average yearly health care rate growth over the next thirty years = 6%

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Assume an average 30 year benefit period per retiree.

Then the Future value = **The COBRA health care cost \$532,169,085.01**

**(over the next thirty years allowing for inflation and health care cost growth.)**

**Therefore:**

**The required Lump Sum Payment to Retiree VEBA = \$532, 169,000.00**